

# MEMORANDUM

Agenda Item No. 8(M)(2)

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**TO:** Honorable Chairwoman Rebeca Sosa  
and Members, Board of County Commissioners


**DATE:** April 2, 2013

**FROM:** R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Resolution amending  
Resolution R-413-11 Wal-Mart  
Stores East, LP as a State of  
Florida Brownfield  
Redevelopment Bonus Tax  
Refund pursuant to Florida  
Statutes § 288.107 while opting  
out of the local match and  
further providing for an  
effective date

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The accompanying resolution was prepared by the Regulatory and Economic Resources Department and placed on the agenda at the request of Prime Sponsor Senator Javier D. Souto.

  
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R. A. Cuevas, Jr.  
County Attorney


RAC/jls

# Memorandum



**Date:** April 2, 2013

**To:** Honorable Chairwoman Rebeca Sosa  
and Members, Board of County Commissioners

**From:** Carlos A. Gimenez  
Mayor 

**Subject:** Resolution Amending the Job Creation Numbers for Wal-Mart Stores East, LP  
for a State of Florida Brownfield Redevelopment Bonus Tax Refund

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## Recommendation

It is recommended that the Board approve the attached resolution to amend Resolution No. R-413-11, which authorized Wal-Mart Stores East, LP ("Wal-Mart" or the "Business") to participate in the State of Florida (State) Brownfield Redevelopment Bonus Tax Refund Program and request that the State waive the required County match. This amendment will decrease the job creation numbers from 330 to 250 full-time equivalent positions, while the minimum criteria for Brownfield Tax Refund Program requires only ten (10) new jobs to be created.

The model originally used by Wal-Mart to calculate job creation was inaccurate. Because the State requires that the locality provide financial support, the County must request a waiver to opt out of the 20% match requirement. No other amendments to Resolution No. R-413-11 are being requested.

## Scope

This project is located at 8400 Coral Way in Commission District 10 (Commissioner Souto). However, this project will have a positive countywide impact due to employment and project investment.

## Fiscal Impact/Funding Source

Approval of this amended Brownfield Redevelopment Bonus Tax Refund will not create a negative fiscal impact to the County. Through this program, the business is eligible to receive up to \$2,500.00 for each job created and the State will pay 80% (or \$2,000.00) for each job created or up to \$500,000.00 for the proposed 250 jobs. The County opts out of its 20% match in the Brownfield Redevelopment Bonus program because it can support businesses through other incentive programs, such as the Qualified Targeted Industry (QTI) and the Targeted Jobs Incentive Fund (TJIF) programs. Unfortunately, this particular project is not eligible for a QTI or a TJIF incentive, as retail is not a targeted industry under either of these two programs. However, under Florida Statutes 288.107, the business is eligible for the Brownfield Redevelopment Bonus Tax Refund incentive providing that certain criteria are met, as specified in the statute and fully defined later in this memorandum.

**Track Record/Monitor**

The Brownfield Redevelopment Bonus Tax Refund Program is administered by the State of Florida. Therefore, the State will pay the incentive and verify that all conditions have been met.

**Background**

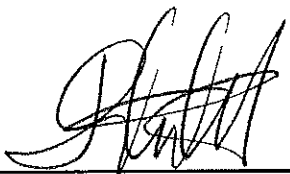
Pursuant to Florida Statutes 288.107, the Brownfield Redevelopment Bonus Tax Refund is available to encourage redevelopment and job creation within designated brownfield areas. Pre-approved applicants receive tax refunds of up to \$2,500.00 for each new job created. The amount of the refund is equal to 20% of the average annual wage of the new jobs created. While a minimum wage salary could be as low as \$15,400.00, the company has stated in its application that the average wage for its new jobs will be \$20,000.00. Refunds are based on taxes paid by the business, including corporate income, sales, ad valorem, intangible personal property, insurance premiums, and certain other taxes. Under Florida Statute 288.107, Wal-Mart Stores East, LP is eligible to apply for the Brownfield Bonus to help offset the cost of remediation associated with the company's acquisition of the site. This new facility will be an expansion of the Wal-Mart chain of retail discount super-center stores in Miami-Dade County. Wal-Mart currently has over 90,000 employees in the State of Florida.

As provided in Florida Statutes 288.107(3)(a)-(e), the criteria for participation in the program are, in relevant part:

- 1) Create at least ten new Florida full-time jobs with benefits, excluding construction and site remediation jobs. Wal-Mart is projecting the creation of 250 new jobs.
- 2) Be a business that can demonstrate a fixed capital investment of at least \$2,000,000.00 in mixed-use business (including multi-unit housing, commercial, retail, and industrial) activity located in a brownfield area. Wal-Mart is investing \$7,250,000.00.
- 3) Demonstrate that the project will diversify and strengthen the economy of the area surrounding the site. Wal-Mart will invest towards the cleanup and redevelopment of the site and will diversify the economy by bringing in new retail and commercial development. This in return will increase the area's tax revenues.
- 4) Demonstrate that the project will promote capital investments in the area beyond that contemplated for the rehabilitation of the site. This is expected due to the significant investment and scope of the project.
- 5) Provide a local government resolution supporting the project with a local match, or in the alternative, a resolution supporting the project, but opting out of the match. This item, if approved, will meet this criterion.

This project involves the construction of a new 130,221 square feet retail super-center with retail discount operations, grocery store, and a warehouse club, which will provide a wide variety of grocery and household items to consumers. The details of this project are listed below:

APPLICANT:	Wal-Mart Stores East, LP
LOCATION:	8400 Coral Way (SW 24 St), Westchester
COMMISSION DISTRICT:	District 10, Senator Javier D. Souto
DATE OF APPLICATION:	October 21, 2010
OVERALL BUSINESS ACTIVITY/MISSION:	To construct and operate a 130,221 ft <sup>2</sup> retail supercenter grocery store and warehouse club
PROPOSED LOCAL BUSINESS ACTIVITY:	National retail discount grocery store chain
PROPOSED CAPITAL INVESTMENT:	\$7,250,000.00
TARGETED INDUSTRY:	Retail
PROPOSED LOCATION IN DESIGNATED PRIORITY AREA?	Yes, Brownfield
NEW OR EXPANDING BUSINESS?	Expanding
NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	250
COMMENTS:	Project information provided by the Goldstein Environmental Law Firm, P.A.

  
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Jack Osterholt, Deputy Mayor



# MEMORANDUM

(Revised)

**TO:** Honorable Chairwoman Rebeca Sosa  
and Members, Board of County Commissioners

**DATE:** April 2, 2013

**FROM:**   
R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Agenda Item No. 8(M)(2)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☒ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_ ) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor

Veto \_\_\_\_\_

Override \_\_\_\_\_

Agenda Item No. 8(M) (2)

4-2-13

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AMENDING RESOLUTION R-413-11  
WAL-MART STORES EAST, LP AS A STATE OF  
FLORIDA BROWNFIELD REDEVELOPMENT BONUS  
TAX REFUND PURSUANT TO FLORIDA STATUTES §  
288.107 WHILE OPTING OUT OF THE LOCAL MATCH  
AND FURTHER PROVIDING FOR AN EFFECTIVE DATE

**WHEREAS**, the Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference; and

**WHEREAS**, WAL-MART STORES EAST, LP submitted a written request to Miami-Dade County dated February 12, 2013 to amend the job creation numbers pursuant to Resolution R-413-11; and

**WHEREAS**, the business under consideration is a general merchandise discount retail store, specifically WAL-MART STORES EAST, LP; and

**WHEREAS**, WAL-MART STORES EAST, LP is located at 8400 Coral Way in Westchester in Miami-Dade County; and

**WHEREAS**, WAL-MART STORES EAST, LP is an expanding business with retail discount supercenter stores throughout Miami-Dade County, and this project will invest \$5,250,000.00 in capital site improvements, including upgrades to building and onsite and offsite improvements to infrastructure, and an additional \$2,000,000.00 will be associated with fixtures, shelving, computers, and other similar items; and

**WHEREAS**, this project will hire 250 residents with annualized wages of \$20,000.00 from the Westchester area for its retail discount operations, grocery store, warehouse club; and

**WHEREAS**, participation in the local financial support is optional and understood; and

**WHEREAS**, the Board of County Commissioners of Miami-Dade County requests a waiver from the local financial support requirement authorized under the Brownfield

Redevelopment Bonus Tax Refund Program pursuant to Florida Statute § 288.106, and will exercise that option,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA,** that this Board amends Resolution R-413-11 to decrease the job creation numbers to 250 from 330 for the State of Florida Brownfield Redevelopment Bonus Tax Refund pursuant to Florida Statutes § 288.107.

The foregoing resolution was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Rebeca Sosa, Chairwoman  
Lynda Bell, Vice Chair

Bruno A. Barreiro  
Jose "Pepe" Diaz  
Sally A. Heyman  
Jean Monestime  
Sen. Javier D. Souto  
Juan C. Zapata

Esteban L. Bovo, Jr.  
Audrey M. Edmonson  
Barbara J. Jordan  
Dennis C. Moss  
Xavier L. Suarez

The Chairperson thereupon declared the resolution duly passed and adopted this 2<sup>nd</sup> day of April, 2013. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.



Shannon D. Summerset